ARIZONA HOUSE OF REPRESENTATIVES Fifty-fourth Legislature - Second Regular Session

CAUCUS AGENDA #17

May 20, 2020

Bill Number Short Title Committee Date Action

Committee on Commerce

Chairman: Jeff Weninger, LD 17 Vice Chairman: Travis W. Grantham, LD 12

Analyst: Paul Benny Intern: Michael Laird

SB 1096_(BSD) property management records; residential rentals

SPONSOR: PACE, LD 25

COM 3/10/2020 DP (7-0-1-1)

(Abs: CHÁVEZ Present: EPSTEIN)

SB 1133_(BSI) public works; contracts; payment

SPONSOR: GRAY, LD 21

COM 5/19/2020 DP (5-2-2-0)

(No: BUTLER, MEZA Present: KERN, EPSTEIN)

SB 1397_(BSI) insurance; preexisting condition exclusions; prohibition

SPONSOR: MESNARD, LD 17

COM 5/19/2020 DP (7-1-0-1)

(No: EPSTEIN Abs: MEZA)

SB 1510_(BSI) public contracts; payment methods

SPONSOR: LIVINGSTON, LD 22

COM 5/19/2020 DP (8-0-0-1)

(Abs: MEZA)

Committee on Education

Chairman: Michelle Udall, LD 25 Vice Chairman: John Fillmore, LD 16

Analyst: Chase Houser Intern: Trisha Romero

SB 1446_(BSI) student identification cards; suicide prevention

SPONSOR: BOWIE, LD 18

ED 5/19/2020 DP (10-0-0-3)

(Abs: COBB, BLANC, BIASIUCCI)

SB 1492_(BSD) Arizona teachers academy; program pathways

SPONSOR: BOYER, LD 20

ED 5/19/2020 DP (11-0-0-2)

(Abs: COBB, BIASIUCCI)

Committee on Government

Chairman: John Kavanagh, LD 23 **Vice Chairman:** Kevin Payne, LD 21 **Analyst:** Stephanie Jensen **Intern:** Jeremy Bassham

SB 1042_(BSI) executive sessions; security plans

SPONSOR: BORRELLI, LD 5

GOV 3/12/2020 DP (11-0-0-0)

SB 1292_{(BSD} financial literacy; state treasurer; fund

SPONSOR: ALLEN S, LD 6

GOV 3/5/2020 DP (10-0-0-1)

(Abs: PETERSEN)

APPROP 3/11/2020 DP (10-0-0-1)

(Abs: ROBERTS)

Committee on Natural Resources, Energy & Water

Chairman: Gail Griffin, LD 14 Vice Chairman: Timothy M. Dunn, LD 13

Analyst: Paul Bergelin Intern: Mackenzie Nintzel

SB 1460_(BSI) electric cooperatives; broadband service

SPONSOR: BORRELLI, LD 5

NREW 5/19/2020 DP (13-0-0-0)

Committee on Public Safety

Chairman: Kevin Payne, LD 21 Vice Chairman: Anthony T. Kern, LD 20

Analyst: Eryn Streeter Intern: Bryce Moore

SB 1504_(BSD) fingerprinting; vital records; child care

SPONSOR: BROPHY MCGEE, LD 28

PS 5/20/2020 DP (6-0-1-0)

(Present: KERN)

Committee on Regulatory Affairs

Chairman: Travis W. Grantham, LD 12 Vice Chairman: Bret Roberts, LD 11

Analyst: Jon Rudolph Intern: Loren Breen

SB 1274_(BSD) professional regulatory boards; composition

SPONSOR: UGENTI-RITA, LD 23

RA 3/9/2020 DPA (4-2-1-0)

(No: POWERS HANNLEY, TERÁN Present: SHAH)

Committee on Technology

Chairman: Bob Thorpe, LD 6 **Vice Chairman:** Jeff Weninger, LD 17

Analyst: Paul Benny Intern: Michael Laird

SB 1305_(BSI) personal delivery devices

SPONSOR: LIVINGSTON, LD 22

TECH 5/20/2020 DP (6-1-0-0)

(No: BUTLER)

Committee on Transportation

Chairman: Noel W. Campbell, LD 1 Vice Chairman: Leo Biasiucci, LD 5

Analyst: Jason Theodorou Intern: Valeria Garcia

SB 1353_(BSI) ADOT revisions

SPONSOR: PRATT, LD 8

TRANS 3/4/2020 DP (9-0-0-0)



Fifty-fourth Legislature Second Regular Session

Senate: COM DPA 5-0-3-0 | 3rd Read 30-0-0-0

House: COM DP 7-0-1-1

SB 1096: property management records; residential rentals
Sponsor: Senator Pace, LD 25
Caucus & COW

Overview

Outlines additional places in which a property management firms are permitted to keep records.

History

Property management firms must keep a residential rental agreement and related documents for one year from the expiration of the rental agreement or until the documents are given to the owner upon termination of any property management agreement. Firms must keep records of all finder fees for tenants for three years after the payment is made or until the records are given to the owner at the termination of the property management agreement. The records must be kept at the broker's main office or at an off-site storage location in Arizona if the broker provides prior written notice of the storage location to the Department of Real Estate (Department) (A.R.S. § 32-2175).

Provisions

Property Management Records (Sec. 1)

- Includes any lease amendments and addenda to the list of documents that a property management firm must keep for
 one year after the expiration of the rental agreement or until the agreement and related documents are given to the
 owner at the termination of any property agreement.
 - a) Specifies related documents may include rental applications with tenant-identifying information, move-in forms or default notices.
- 2. Mandates that all records must be kept at either:
 - a) The broker's main office or branch office:
 - b) Electronically; or
 - c) At an off-site storage location in this state if the broker provides the Department prior written notification and a street address of the off-site storage location.
 - i. All records include residential rental agreements, finder fees, financial records pertaining to clients and nonresidential real estate lease agreements.
- 3. Specifies off-site storage location includes a multi-family leasing office.
- Requires trust account records be kept in accordance with statute pertaining to trust money deposit requirement.
- 5. Makes a technical change.



Fifty-fourth Legislature Second Regular Session

Senate: GOV DPA 6-1-0-0 | 3rd Read 16-13-1-0 **House:** COM DP 5-2-2-0

SB 1133: public works; contracts; payment Sponsor: Senator Gray, LD 21 Caucus & COW

Overview

Prescribes requirements for payment of contractors and subcontractors for changed or additional work in construction contracts with certain governmental entities.

History

Progress payments may be made to the contractor on the basis of a duly certified and approved estimate of the work performed. Progress payments must be paid within 14 days after the estimate of work is certified and approved. The estimate of work is deemed approved and certified 7 days after the date of submission unless the owner prepares and issues a specified written finding detailing those items in the estimate that are not approved and certified under the contract. In any delay of payment to the contractor, interest at the rate of 1% per month may be added on the unpaid balance (<u>A.R.S.</u> § 41-2577).

- 6. Permits a contractor directed to perform changed or additional work by ADOT or a governmental entity, pending a final determination of the total amount to be paid, to request payment for the changed or additional work that the contractor completed during the preceding calendar month in monthly pay estimates based on the costs incurred by the contractor. (Sec. 3, 4, 5, 7)
- 7. Allows a subcontractor directed to perform changed or additional work by the contractor, pending a final determination of the total amount to be paid, to request payment for changed or additional work that the subcontractor completed during the preceding calendar month in monthly pay estimates based on the costs incurred by the subcontractor. (Sec. 3, 4, 5, 7)
- 8. Requires the person designated in the construction contract to certify and approve the monthly payment estimate to:
 - a) Make an interim determination for approval for payment of the costs of changed or additional work; and
 - b) Certify the amount the person determines to be reasonably justified. (Sec. 3, 4, 5, 7)
- 9. Allows a party to disagree with the interim determination and assert a claim in accordance with the terms of the construction contract or the agreement between the contractor and subcontractor. (Sec. 3, 4, 5, 7)
- 10. Stipulates in any action or arbitration relating to payment for changed or additional work, the successful party is awarded reasonable attorney fees and costs. (Sec. 3, 4, 5, 7)
- 11. Defines construction contract, contractor, cost, subcontractor and work. (Sec. 3, 4, 5, 7)
- 12. Requires rules adopted by the State Board of Education for procurement of construction projects for school districts to comply with prompt payment requirements, unless external funding has not yet been received. (Sec. 2)
- 13. Requires ABOR's adopted procurement policies and procedures to be substantially equivalent to prompt payment requirements.
 - a) Excludes the judicial branch from this requirement. (Sec. 6)
- 14. Makes technical and conforming changes. (Sec. 1, 3, 4, 5, 6, 7)

☐ Prop 105 (45 votes)	\square Prop 108 (40 votes)	□ Emergency (40 votes)	☐ Fiscal Note
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Fifty-fourth Legislature Second Regular Session

Senate: FIN DP 9-0-1-0 | 3rd Read 30-0-0-0 **House:** COM DP 7-1-0-1

SB 1397: insurance; preexisting condition exclusions; prohibition Sponsor: Senator Mesnard, LD 17
Caucus & COW

Overview

Conditionally requires health care insurers to provide guaranteed availability of individual health plan coverage to eligible individuals.

History

The Patient Protections and Affordable Care Act (<u>PPACA</u>) is intended to expand access to insurance, increase consumer protections, emphasize prevention and wellness, improve quality and system performance, expand the health workforce, and curb rising health care costs (<u>NCSL Summary Brief</u>).

On December 14, 2018, the U.S. District Court for the Northern District of Texas declared the individual mandate of the ACA unconstitutional and the remaining provisions of the ACA inseverable from the mandate and thus invalid (<u>Texas v. Azar</u>).

Provisions

Individual Health Plans (Sec. 1)

- 15. Requires health care insurers who offer individual health plans to provide guaranteed availability of coverage to eligible individuals who enroll in health insurance coverage.
- 16. Prohibits health care insurers who offer individual health plans from:
 - a) Declining to offer that coverage to, or deny enrollment of, that individual; and
 - b) Imposing any preexisting condition exclusions with respect to the issuance, renewal or scope of benefits.
- 17. Permits health care insurers to restrict enrollment in individual health plans to open enrollment and special enrollment periods to the extent the periods are not inconsistent with applicable federal law.
- 18. Requires the Director of the Arizona Department of Insurance and Financial Institutions to adopt rules establishing minimum open enrollment dates and criteria for special enrollment periods.
- 19. Exempts grandfathered health plan coverage and limited benefit coverage.
- 20. Defines grandfathered health plan coverage, health care insurer, individual health plan, preexisting condition exclusion and transitional health plan.

Miscellaneous (Sec. 2)

- 21. Conditionally enacts this Act based on a court of competent jurisdiction ruling that the PPACA is unconstitutional and the judgement of that ruling becomes final and definitive by June 30, 2023.
- 22. Instructs the Attorney General, by August 1, 2023 to notify the Director of the Arizona Legislative Council:
 - a) Of the date on which the condition was met; or
 - b) That the condition was not met.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: GOV DP 6-0-1-0 | 3rd Read 30-0-0-0

House: COM DP 8-0-0-1

SB 1510: public contracts; payment methods Sponsor: Senator Livingston, LD 22 Caucus & COW

Overview

Adds an assignment of money market account and demand deposit accounts as a substitute for the retention of pay estimates.

History

Statute requires a construction contract include a provision that 10% of all estimates be retained as a guarantee for complete performance. In lieu of the required retention and at the option of the contractor, the agent must accept as a substitute an assignment of time certificates of deposit, securities of the U.S., this state, counties, municipalities and school districts, or shares of savings and loan associations in an amount equal to 10% of all estimates. The contractor is entitled to receive all interest or income earned by such security as it accrues. (A.R.S. § 34-211).

Agent is defined as: 1) any county, city or town, or officer, board or commission of any county, city or town, and irrigation, power, electrical, drainage, flood protection and flood control districts, tax levying public improvement districts and county or city improvement districts; and 2) Includes any county board of supervisors and any representative authorized by an agent to act as an agent for the purpose of authorizing necessary change orders to previously awarded contracts in accordance with guidelines established by rule of the agent, including the board of supervisors.

Contractor is defined as any person who has a contract with an agent. (A.R.S. § 34-101)

- 23. Includes an assignment of money market account and demand deposit accounts as a substitute for the required retention of pay estimates of a construction contract. (Sec. 1)
- 24. Clarifies the agent, in a construction contract, may not accept a money market account or demand deposit account as a substitute unless the accounts are accompanied by a signed waiver of the bank of any right or power to setoff against either the agent or the contractor. (Sec. 1)
- 25. Requires written authorization of the agent before monies deposited in a money market account or demand deposit account can be released by the financial institution to the contactor. (Sec. 1)
- 26. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: ED DP 9-0-0-0 | 3rd Read 29-0-1-0-0

House: ED DP 10-0-0-3

SB 1446: student identification cards; suicide prevention Sponsor: Senator Bowie, LD 18 Caucus & COW

Overview

Requires school district governing boards, charter school governing bodies and institutions of higher education to include contact information for suicide prevention resources, local crisis centers or emotional support services on student identification cards.

History

Each teacher training program in Arizona must develop or adopt evidenced-based instruction on suicide awareness and prevention and provide that instruction to all teacher candidates in the programs. The instruction must include:

- 1) Training in suicide prevention;
- 2) Training to identify the warning signs of suicidal behavior in adolescents and teens; and
- 3) Appropriate intervention and referral techniques (A.R.S. § 15-1656).

- 27. Requires, beginning July 1, 2021, school district governing boards and charter school governing bodies that issue identification cards to students in grades 9-12 or institutions of higher education that issue identification cards to students to include at least one of the following on each new identification card:
 - a) The telephone number for a national suicide prevention hotline;
 - b) The telephone number for a national network of local crisis centers;
 - c) A statement describing how to access a text-based emotional support service; or
 - d) The telephone number for a local suicide prevention hotline. (Sec. 1, 2)
- 28. Specifies that the required information may be printed on the identification card or may be included on a sticker affixed to the identification card. (Sec. 1, 2)
- 29. Defines institution of higher education as both:
 - a) A university under the jurisdiction of the Arizona Board of Regents; and
 - b) A community college. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-fourth Legislature Second Regular Session

Senate: HEWD DPA 7-0-0-0 | 3rd Read 26-0-4-0 House: ED DP 11-0-0-2

SB 1492: Arizona teachers academy; program pathways Sponsor: Senator Boyer, LD 20 Caucus & COW

Overview

Expands the Arizona Teachers Academy (Academy) to include students who commit to teach for schools that serve primarily public school students with disabilities. Allows a college owned, operated or chartered by a qualifying Indian tribe to participate in the Academy.

History

Under current law, eligible postsecondary institutions are required to implement an Academy to incentivize students to enter the teaching profession and to commit to teach in Arizona public schools. Each Academy may include new or existing teacher preparation program pathways that are student-focused and that employ proven, research-based models of best practices. Each eligible postsecondary institution may develop and offer a portfolio of teacher preparation programs that must include accelerated models for: 1) high-demand teacher specializations, including special education, science, technology engineering and mathematics; 2) critical need areas, including low-income public schools, public schools located on Indian reservations and rural public schools; and 3) individuals seeking postbaccalaureate coursework that results in professional certification (A.R.S. § 15- 1655(A)(B)).

The Arizona Teachers Academy Fund (Fund) consists of legislative appropriations. Fund monies are used for the administration of the Academy. The Arizona Board of Regents (ABOR) is required to administer the Fund and establish criteria for distributing Fund monies to eligible postsecondary institutions each fiscal year (A.R.S. § 15-1655(F)).

Eligible postsecondary institutions are defined as in-state universities that lead to teacher certification and have entered into an agreement with ABOR relative to these postbaccalaureate programs (A.R.S § 15-1655(K)(1)).

Provisions

- 30. Expands the Academy to include students who commit to teach for schools that serve primarily public school students with disabilities. (Sec. 1)
- 31. Allows each eligible postsecondary institution to prioritize admission to the Academy for senior and junior students but specifies that sophomore and freshman students may not be excluded. (Sec. 1)
- 32. Adds that the programs offered as part of the Academy must include accelerated models for:
 - a) Critical needs areas, including schools that serve primarily public school students with disabilities;
 - b) Teachers who currently teach a dual enrollment course to satisfy the requirements for teaching a dual enrollment course adopted by a higher learning commission that accredits degree-granting postsecondary educational institutions in the north central region, including Arizona; and
 - c) Students in noneducation programs who must complete one or more teacher preparation course to receive a teaching certification following graduation. (Sec. 1)
- 33. Allows an in-state college that is owned, operated or chartered by a qualifying Indian tribe on its own Indian reservation and that offers baccalaureate teacher education programs to participate in the Academy and receive Fund monies. (Sec. 1)
- 34. Defines a school that serves primarily public school students with disabilities as a school in which more than 75% of the students enrolled are public school students who are placed at the school according to an agreement with a school, a charter school or the Arizona State Schools for the Deaf and Blind. (Sec. 1)

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☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	_

35. Makes technical and conforming changes. (Sec. 1)



Fifty-fourth Legislature Second Regular Session

Senate: GOV DP 7-0-0-0 | 3rd Read 30-0-0-0

House: GOV DP 11-0-0-0

SB 1042: executive sessions; security plans Sponsor: Senator Borrelli, LD 5 Caucus & COW

Overview

Permits a public body to hold an executive session for the purposes of consulting on or discussing matters related to security plans, procedures, assessments or measures relating to or having an impact on security or safety.

History

A public body is allowed to hold an executive session only for discussion, consideration, or consultation on the following: 1) employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body; 2) records exempt by law from public inspection; 3) legal advice with the attorney or attorneys of the public body; 4) contracts subject to negotiations with attorneys of the public body; 5) the position of the public body with designated representatives on negotiations with employee organizations regarding salaries, salary schedules or compensation paid; 6) international, interstate, city, town, tribal council or Indian reservation negotiations; 7) the position of the public body and negotiations on the purchase, sale or lease of real property with designated representatives (A.R.S. § 38-431.03).

- 36. Allows a public body to hold an executive session for discussions or consultations with designated representatives for the following:
 - a) security plans;
 - b) procedures;
 - c) assessments; and
 - d) measures or systems relating to or having an impact on the security or safety buildings, facilities, operations, critical infrastructure information and information technology maintained by the public body. (Sec. 1)
- 37. Stipulates that records, documentation, notes or other materials made by or provided to the representatives are confidential and exempt from public disclosure. (Sec. 1)
- 38. Defines critical infrastructure and information technology. (Sec. 1)
- 39. Makes technical changes. (Sec. 1)

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☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-fourth Legislature Second Regular Session

Senate: ED DP 9-0-0-0 | 3rd Read 30-0-0-0 **House:** GOV DP 10-0-0-1 | APPROP 10-0-0-1

SB 1292: financial literacy; state treasurer; fund Sponsor: Senator Allen S, LD 6
Caucus & COW

Overview

Requires the State Treasurer to promote awareness of financial literacy and establishes the State Treasurer's Financial Literacy Fund (Fund).

<u>History</u>

Statute directs the State Treasurer to:

- 1) Authenticate certified writings and documents with the seal of the office;
- 2) Secure all state monies;
- 3) File and keep documentation of deposited monies;
- 4) Deliver confirmation of deposited monies and provide an identifying number for each confirmation;
- 5) Pay warrants drawn by the Arizona Department of Administration (ADOA);
- 6) Keep an account of all monies received and disbursed and keep separate accounts of the different funds and appropriations of money;
- 7) Provide information on the condition of the state treasury;
- 8) Deliver a statement of receipts and expenditures of public monies to the Governor and ADOA;
- 9) Submit a report to the Joint Legislative Budget Committee explaining any differences between ADOA's estimate and the State Treasurer's estimate of the General Fund's ending balance; and
- 10) Exercise powers of the surveyor-general as a member of the selection board (A.R.S. § 41-172).

- 40. Requires the State Treasurer to promote awareness of financial literacy to Arizona residents. (Sec. 1)
- 41. Establishes the Fund and states that the Fund consists of:
 - a) Legislative appropriations; and
 - b) Any other monies available from any lawful public or private source to promote financial literacy in this state. (Sec. 2)
- 42. Directs the State Treasurer to invest and divest Fund monies and credit monies earned from investment to the Fund. (Sec. 2)
- 43. Exempts Fund monies from statute related to lapsing of appropriations. (Sec. 2)
- 44. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: NRE DP 6-0-1-0 | 3rd Read 28-0-2-0 **House:** NREW DP 13-0-0-0

SB 1460: electric cooperatives; broadband service Sponsor: Senator Borrelli, LD 5 Caucus & COW

Overview

Authorizes electric cooperative nonprofit membership corporations (electric cooperatives) and nonprofit electric generation and transmission cooperative corporations (generation and transmission cooperative) to provide broadband service. Directs these cooperatives to notify property owners when expanding broadband service and prescribes a process for cooperatives and property owners to address just compensation claims.

History

Statute authorizes certain cooperative membership organizations which are governed by articles of incorporation and created for specific purposes:

- Electric cooperatives are created by five or more individuals or two cooperatives to:
 - supply, purchase, market, sell, transmit or distribute electric energy and promote and extend the use of this energy;
 - provide services related to supplying, providing or transmitting electric energy; and
 - engage in activities designed to promote rural economic development or for any lawful purpose (A.R.S. §§ 10-2052 and 10-2053).
- Generation and transmission cooperatives are formed by two or more electric utilities to produce and generate, purchase, market, sell or transmit electric energy and provide related services (A.R.S. §§ 10-2122 and 10-2123).

Six electric cooperatives and three generation and transmission cooperatives operate in Arizona.

Provisions

Authority to Provide Broadband Service

- 45. Authorizes electric cooperatives and generation and transmission cooperatives, directly or through an affiliate, to:
 - a) Be organized to provide broadband service to areas where these cooperatives provide electric energy services (Sec. 2 and 6); and
 - b) Construct, operate, maintain, lease and license fiber optic cables and other facilities to provide broadband service over, under, across, on or along real property, personal property, rights-of-way, easements and licenses and other property rights owned, held or used by the cooperative to provide electricity and other services. (Sec. 3 and 7)

Notice and Compensation for Property Owners

- 46. Entitles a property owner to just compensation if a cooperative, directly or through its affiliate:
 - a) Expands the use of an existing easement or other property right that it owns, holds or uses to provide electricity or other services; and
 - b) The expanded use reduces the fair market value of the owner's property. (Sec. 4 and 8)
- 47. Instructs the property owner to seek just compensation in superior court within 18 months of being notified by the cooperative of the expanded use for broadband service. (Sec. 4 and 8)
- 48. Stipulates that the notice is effective if the cooperative either:
 - a) Sent it by first class mail to the property owner's last known address;
 - b) Included it as an insertion in the property owner's electric bill, in the case of electric cooperatives; or
 - c) Employed other commonly used publication or communication channels. (Sec. 4 and 8)
- 49. Declares that if the owner does not seek just compensation within 18 months, the expanded use is considered full vested in the cooperative and its affiliate without the need to pay this compensation. (Sec. 4 and 8)
- 50. Specifies that the following apply in an action for just compensation based on a claim of expanded use for broadband service:

- a) The court or jury must evaluate any decrease in property value based on the difference between the entire parcel's fair market value before and after the expanded use;
- b) Fair market value does not include evidence of revenues or profits derived from or the rental value of an assembled communications corridor; and
- c) When just compensation is paid, the expanded use for broadband service is considered fully vested in the cooperative and its affiliate. (Sec. 4 and 8)
- 51. Prohibits a class action against a cooperative or its affiliate in any just compensation action based on a claim of expanded use for broadband service. (Sec. 4 and 8)
- 52. Specifies that just compensation actions include trespass, inverse condemnation and other similar causes of action. (Sec. 4 and 8)
- 53. Declares that this act does not prohibit a cooperative or its affiliate from reaching an agreement with a property owner to waive just compensation claims related to expanded use for broadband service by other lawful means. (Sec. 4 and 8)

Electric Cooperative Excavation Notice to Property Owners

- 54. Instructs the *electric cooperative* or its affiliate to provide written notice to the property owner if excavation is required to install fiber optic cables or other underground facilities to provide broadband service. (Sec. 4)
- 55. Requires an *electric cooperative* or it affiliate to provide this notice by either:
 - a) First class mail to the property owner's last known address;
 - b) Printed insertion in the property owner's electric bill; or
 - c) Other commonly used publication or communication channels. (Sec. 4)
- 56. Prescribes requirements for what this notice must include. (Sec. 4)
- 57. Clarifies notice is not required before the *electric cooperative* or its affiliate uses an easement or other property right that includes an authorization for excavation to provide broadband service. (Sec. 4)
- 58. Stipulates that failure to provide this notice:
 - a) Prohibits the electric cooperative or its affiliate from beginning excavation until notice is provided.
 - b) Does not invalidate or prevent the *electric cooperative* or its affiliate from expanding the use of easement or property right. (Sec. 4)

- 59. Defines affiliate and broadband service. (Sec. 1 and 5)
- 60. Makes technical and conforming changes (Sec. 1, 2, 3, 5, 7)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	□ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: HHS DP 8-0-0-0 | 3rd Read 30-0-0-0

House: PS DP 6-0-1-0

SB 1504: fingerprinting; vital records; child care Sponsor: Senator Brophy McGee, LD 28 Caucus & COW

Overview

Updates fingerprinting requirements for individuals that work with vital records or children and vulnerable adults overseen by various political subdivisions.

History

Child care personnel, including volunteers, must have a valid fingerprint clearance card (FPCC) or certification or must apply for a FPCC within seven working days of employment, beginning volunteer work or certification (A.R.S. §§ 36-883-02, 36-897.03) and 41-1964). Child care providers who care for four or fewer children must have a valid FPCC or must apply for a FPCC by the date of registration (A.R.S. § 41-1967.01).

The Director of the Department of Public Safety (DPS) must authorize the exchange of criminal justice information between the central state repository, or through the Arizona criminal justice information system, whether directly or through any intermediary, only as follows:

- With criminal justice agencies of the federal government, Indian tribes, this state or its political subdivisions and other states, on request by the chief officers of such agencies, specifically for the purposes of the administration of justice and for evaluating the fitness of current and prospective criminal justice employees; and
- 2) With any noncriminal justice agency, that authorizes the noncriminal justice agency to receive criminal history record information for the purpose of evaluating the fitness of current or prospective licensees, employees, contract employees or volunteers (A.R.S. § 41-1750).

Provisions

Relating to Vital Records Systems

- 61. Requires each employee or contractor of the Arizona Department of Health Services (DHS) who is employed or contracted in an information technology (IT) position or who has access to vital records systems to have a valid FPCC or provide documentation to DHS that proves the person has applied for a FPCC. (Sec. 1)
- 62. Requires each employee and contractor to certify that they are not awaiting trial on or convicted of any precluding offenses in this state or similar offenses in another state or jurisdiction. (Sec. 1)
- 63. Prohibits DHS from allowing a person to be an employee or contractor in an IT position or have access to vital records systems if the person has been denied a FPCC or has not received interim approval from the Board of Fingerprinting (Board). (Sec. 1)
- 64. Requires each county employee or contractor who has access to vital records systems to have a valid FPCC. (Sec. 1)
- 65. Prohibits a local registrar from allowing a person to be an employee or contractor with access to vital records systems if the person has been denied a FPCC or has not received interim approval from the Board. (Sec. 1)

Relating to Children and Vulnerable Adults

- 66. Requires each DHS employee who inspects facilities with children or vulnerable adults to have a valid FPCC or provide documentation to DHS that they have applied for a FPCC. (Sec. 1)
- 67. Specifies that each employee must certify on forms that they are not awaiting trial on or has not been convicted of any precluding offenses in this state or similar offenses in another state or jurisdiction. (Sec. 1)
- 68. Prohibits a person from being employed by DHS to inspect facilities with children or vulnerable adults if the person has been denied a FPCC or has not received an interim approval from the Board. (Sec. 1)
- 69. Defines vulnerable adult. (Sec. 1)

Relating to Child Care Personnel

70. Requires child care personnel to have a valid FPCC before starting employment or volunteer work, rather than applying for a FPCC within seven working days of employment or beginning volunteer work. (Sec. 2 and 3)

Relating to the Department of Public Safety

- 71. Requires the Director of DPS to authorize the exchange of information between the central state repository, or through the Arizona criminal justice information system for the purpose of evaluating the fitness of current and prospective employees:
 - a) For criminal justice agencies, DPS must conduct periodic state and federal criminal history records checks to update
 the status of current criminal justice employees or volunteers and may notify the criminal justice agency of the
 results of the records check; and
 - b) For noncriminal justice agencies, DPS must conduct periodic state and federal criminal history records checks for the purpose of updating the status of current licensees, employees, contract employees or volunteers and may notify the noncriminal justice agency of the results of the records check. (Sec. 6)
- 72. Permits DPS to submit fingerprints to the Federal Bureau of Investigation (FBI) to be retained for the purpose of being searched by future submissions to the FBI, including latent fingerprint searches for criminal justice agencies and noncriminal justice agencies. (Sec. 6)

Relating to the Department of Economic Security

- 73. Requires child care personnel to have a valid FPCC before being certified by the Department of Economic Security (DES) or residing or working in the home of a child care home provider. (Sec. 10)
- 74. Requires a child care home provider to obtain a valid FPCC before being registered with DES or residing in a setting that is certified or licensed by DES. (Sec. 11)
- 75. Adds a person who is 18 years of age or older and who works or resides in the home of a child care home provider to the definition of *child care provider*. (Sec. 11)

- 76. Allows DES and DHS to conduct background checks pursuant to the Child Care and Development Block Grant Act (Act) that are not included in the FPCC process for:
 - a) Employees and volunteers of child care providers;
 - b) All persons who are 18 years of age or older and work or reside in the home of a child care home provider;
 - c) Child care personnel; and
 - d) Child care providers. (Sec. 12)
- 77. Allows DES to enter into agreements with other government agencies to conduct background checks for the Act. (Sec. 12)
- 78. Repeals version two of A.R.S. § 41-619.51 and version two of A.R.S. § 41-1758 relating to definitions for the Board. (Sec. 5 and 8)
- 79. Makes the necessary inclusion in the fingerprinting statutes. (Sec. 4, 7 and 9)
- 80. Makes technical and conforming changes. (Secs. 4, 6, 7 and 11)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: COM DPA 5-2-1-0 | 3rd Read 17-13-0-0

House: RA DPA 4-2-1-0

SB 1274: professional regulatory boards; composition Sponsor: Senator Ugenti-Rita, LD 23 Caucus & COW

Overview

Restructures the statutory membership of the Arizona Board of Technical Registration (BTR), the Board of Barbers (BB), the Board of Cosmetology (BC), the State Board of Funeral Directors and Embalmers (BFDE) and the Board of Massage Therapy (BMT).

History

The BTR regulates architects, engineers, geologists, home inspectors, landscape architects and surveyors (<u>A.R.S Title 32, Chapter 1</u>).

The BB licenses barbers, barber instructors, barber schools, barber shops and salons (A.R.S. § Title 32, Chapter 3).

The BC establishes standards for the practice of cosmetology, aesthetics, nail technology, hairstyling and salons and schools that engage in or teach practices (A.R.S. Title 32, Chapter 5).

BFDE licenses and registers funeral directors, embalmers, interns, embalmer's assistants, cremationists, funeral establishments and crematories (A.R.S. Title 32, Chapter 12).

The BMT evaluates applicant qualifications for massage therapist licenses and issues licenses to qualified applicants (A.R.S. Title 32, Chapter 42).

Provisions

Board of Technical Registration (Sec. 1)

- 81. Modifies the membership of the BTR to include the following:
 - a) One architect rather than two:
 - b) One professional engineer rather than three professional engineers; and
 - c) Six public members rather than one.
- 82. Requires at least one public member to have legal, construction or design product background.

Board of Barbers (Sec. 2)

- 83. States that two members of the BB must include a maximum of one member of each of the following qualifications:
 - a) An active barber who has been practicing for at least five years;
 - b) A holder of a barber school license who is a barber; or
 - c) A holder of a barber shop or salon license who is a barber.
- 84. Increases the number of public members in the BB to three rather than two.
- 85. Removes the following members from the BB:
 - a) One active barber who has been practicing for at least five years;
 - b) A holder of a barber school license who is a barber; or
 - c) A holder of a barber shop or salon license who is a barber.

Board of Cosmetology (Sec. 3)

- 86. States that three members of the BC must include a maximum of one member from each of the following occupations who has been actively practicing for at least three years immediately preceding the appointment:
 - a) cosmetologists;
 - b) nail technicians;
 - c) instructors: or
 - d) school owners.
- 87. Increases the number of public members in the BC to four rather than two.
- 88. Removes the following members from the BC:

- a) Two cosmetologists who have been practicing in this state for at least three years preceding appointment:
- b) One nail technician who has been practicing in this state for at least three years preceding appointment;
- c) One instructor who has been practicing in this state for at least three years preceding appointment; and
- d) A school owner.

Board of Funeral Directors and Embalmers (Sec. 4)

- 89. Decreases the number of the BFDE to three rather than four.
- 90. Increases the number of public members in the BFDE to four rather than three.

Board of Massage Therapy (Sec. 5)

- 91. Decreases the number of massage therapists from the BMT to two rather than three.
- 92. Increases the number of public members in the BMT to three rather than two.
 - a) Requires at least one public member to be actively involved in programs or services that help to reduce or prevent human trafficking.

Miscellaneous

- 93. Retains the members of the BTR, BB, BC, BFDE and the BMT on the effective date of this act, until the expiration of their normal terms. (Sec. 6)
- 94. Requires the Governor to make all subsequent appointments of the BTR, BB, BC, BFDE and the BMT. (sec. 6)
- 95. Makes technical and conforming changes. (Sec. 1, 2, 3, 5)

Amendments

Committee of Regulatory Affairs

- 1. Consolidates the BB and the BC into the Barbering and Cosmetology Board (Board).
- 2. Stipulates that the annual report by the Commission for Postsecondary Education must be submitted to the Secretary of State by December 28th, rather than to the Arizona State Library, Archives and Public Records.
- 3. Modifies barber licensing requirements to include completion of a 200-hour course, rather than a 350-hour course, of barbering techniques in a school licensed by the Board.
- 4. Requires the Board or a national professional organization for barbering or cosmetology to administer practical and written examinations for a barber or instructor license.
- 5. Instructs the examinations to test for skills and requisite knowledge in the technical application of barbering services.
- 6. Allows an applicant to take an examination before completing the required hours of course instruction prescribed by statute.
- 7. Directs the Board or national professional organization to inform each applicant of their examination results and the Board to make an accurate record of each examination.
- 8. Decreases the required number of instruction hours in a licensed barbering school to 1,200 hours, rather than 1,500 hours.
 - a) Decreases the required number of instruction hours devoted to the practice and study of massaging the scalp, face and neck, shaving and chemical work relating to hair to 950 hours rather than 1250 hours.
- 9. Authorizes a barbering school to offer courses on both cosmetology and barbering if the properly licensed instructor is teaching each course.
- 10. Modifies the membership of the Board to the following:
 - a) One cosmetologist;
 - b) Two school owners who do not own the same school;
 - c) Five public members, preferably one who is an educator; and
 - d) One barber.
- 11. States that certain cosmetology statutes do not apply to:
 - a) Students off campus at a school-sponsored event;

- b) People licensed in another state who are working in Arizona at a charitable event that benefits a nonprofit organization:
- c) People licensed in another state who are in Arizona for no more than two weeks and who provide services for people at an athletic, charitable, artistic or social event in this state; and
- d) People who are enrolled in a school that is licensed by the Board and who shampoo, rinse and apply cream rinse, conditioners and reconstructors to hair.
- 12. Decreases the required number of instruction hours in a licensed cosmetology school to 1,500 hours, rather than 1.600.
- 13. Allows a person with a barber license to apply for a hairstylist license if the person completes a 200-hour course consisting of hairstyling techniques in a licensed school.
- 14. Authorizes a school of any type, including a cosmetology school, to include programs related to a subject similar to cosmetology but may not include a salon.
- 15. Removes the requirement for a cosmetology school and another business to be separated by permanent walls.
- 16. Stipulates that the Board succeeds to the authority, powers, duties and responsibilities of the BB January 1, 2021.
- 17. Clarifies that this Act does not alter the effect of actions taken or valid obligations of the BB in existence before January 1, 2021.
- 18. Specifies that all administrative matters, contracts and judicial actions, regardless of status, of the board of barbers on January 1, 2021 are transferred to the Board and maintain the same status.
- 19. Maintains the validity of all certificates, licenses, registrations and permits issued by the BB.
- 20. Transfers all equipment, records, furnishings and other property from the BB to the Board January 1, 2021.
- 21. Allows members of the BC to continue serving on the Board until the expiration of their term at which point the Governor will appoint all subsequent members.
- 22. Requires the Board to do the following:
 - a) Study licenses and fees issued and imposed;
 - b) Identify whether any licenses should be consolidated and identify what is unique to each profession;
 - c) Determine whether changes are needed to the fee structures for each profession;
 - d) Determine whether a reduction of instruction hours that are required for current licenses is necessary and how a reduction might affect reciprocity with other states; and
 - e) Submit a report of its findings and recommendations to the Governor, President of the Senate, Speaker of the House of Representatives and Secretary of State by November 1, 2022.
- 23. Authorizes the Board to use \$750,000 from the barbering and cosmetology fund to assist in the required study and report.
- 24. Makes technical and conforming changes.
- 25. Contains an effective date of January 1, 2021.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

Senate: TPS 5-0-3-0 | 3rd Read 29-0-1-0

House: TECH DP 6-1-0-0

SB 1305: personal delivery devices
Sponsor: Senator Livingston, LD 22
Caucus & COW

Overview

Establishes, beginning September 1, 2020, laws governing the operation of a personal delivery device (Device).

History

<u>Laws 2018</u>, <u>Chapter 306</u> established regulations for a Device, until September 1, 2020. A Device is used to transport property primarily on sidewalks and within crosswalks. The Device is required to be equipped with: 1) technology to allow for the operation of the device with or without the active control or monitoring of a natural person; and 2) a braking system that when active or engaged enables the personal delivery device to come to a controlled stop. Additionally, the legislation allowed local authorities to adopt reasonable restrictions for the safe operation of a Device.

Provisions

Personal Delivery Devices (Sec. 4)

- 96. Redefines personal delivery device as a device that is:
 - a) Manufactured for transporting cargo and goods within a described area; and
 - b) Equipped with automated driving technology, including software and hardware, that enables the operation of the device with the remote support and supervision of a human. (Sec. 1, 2)
- 97. Outlines the applicability of laws of a Device.
- 98. Permits a person to operate a Device only if the person is:
 - a) A business entity; and
 - b) An *agent* of the business entity who is capable of monitoring or exercising physical control over the navigation and operation of the Device.
- 99. Specifies the business entity is the operator of the personal delivery device solely for the purpose of assessing compliance with applicable traffic laws when a Device is operated by a business entity is engaged.
- 100. Specifies the agent of the business is the operator of the Device when the agent controls the Device in a manner that is outside the scope of the agent's office or employment.
- 101. Asserts a person is not the operator of a Device solely because the person either:
 - a) Requests a delivery or service provided by the Device; or
 - b) Dispatches the Device.
- 102. Outlines the requirements and regulations for a Device operation.
- 103. Limits the Device speed as follows:
 - a) Up to 12 miles per hour in a pedestrian area; and
 - b) Up to 20 miles per hour on the side or shoulder of a highway in an area that is not a pedestrian area.
- 104. Permits a local authority to establish a minimum/maximum speed of 7 to 12 miles per hour in a pedestrian area.
- 105. Requires a Device to be equipped with:
 - a) A marker that clearly states the name and contact information of the owner and a unique identification number;
 - b) A braking system that enables the device to come to a controlled stop; and
 - c) Specified type of lights on the front and rear of the Device, if operated at nighttime.
- 106. Prohibits a local authority from regulating the operation of a Device on a highway or in a pedestrian area in a manner that is inconsistent with this Act. This prohibition does not:
 - a) Affect the authority of a peace officer to enforce the laws relating to the operation of a Device; and

- b) Prevent a local authority from prohibiting a Device in an area or during certain hours to protect public health and safety.
- 107. Mandates a business entity to maintain an insurance policy on a Device including general liability coverage of at least \$100,000 for damages arising from the operation of the Device.

108.	. Excludes a personal mobile cargo carrying device from the definition of Device. (Sec. 1, 2)				
109.	Excludes a Device from the definition of motor vehicle. (Sec. 1, 2)				
110.	Defines pertinent terms. (Sec. 4)				
111.	Becomes effective on September 1, 2020. (Sec. 5)				
112.	Makes technical and conforming changes. (Sec. 3, 6)				
	□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note				



Fifty-fourth Legislature Second Regular Session

Senate: TPS DPA 8-0-0-0 | 3rd Read 27-2-1-0 **House**: TRANS DP 9-0-0-0

SB 1353: ADOT revisions
Sponsor: Senator Pratt, LD 8
Caucus & COW

Overview

Makes revisions to the transportation statute relating to release of personal information, certificates of title, commercial licenses and permits, aircraft registration and towing company reimbursements.

History

The Driver's Privacy Protection Act of 1994 prohibits a state department of motor vehicles from knowingly disclosing or otherwise making available to any person or entity personal information except as otherwise provided (18 U.S.C. § 2721). Pursuant to A.R.S. § 28-455, and in accordance with the Driver's Privacy Protection Act of 1994, the Arizona Department of Transportation (ADOT) can disclose personal information for bulk distribution for surveys, marketing or solicitations if express consent is given from the person to whom the personal information pertains. ADOT is required to provide in a clear and conspicuous manner on forms for the issuance or renewal of licenses, title and registration the opportunity for a person to provide express consent.

Pursuant to A.R.S. § 28-2098, a registered scrap metal dealer (dealer) or a licensed automotive recycler (recycler) is permitted to purchase a vehicle without obtaining a certificate of title if the dealer or recycler complies with outlined requirements, the transaction does not exceed \$1,200, the vehicle is at least 12 model years old and the owner does not have the paper certificate of title to the vehicle for certain reasons. Dealers and recyclers are required to report to the national motor vehicle title information system and ADOT a list of each vehicle purchased for scrap or parts. A finding that a vehicle is stolen must be reported to ADOT.

Pursuant to A.R.S. §§ 28-2091 and 28-2095, any person who sells a vehicle with a salvage or restored salvage title must disclose to the buyer before the sale that the vehicle is a salvage or restored salvage vehicle. Pursuant to A.R.S. § 28-4805, a towing company that towed an abandoned vehicle is entitled to receive 20% of the fees collected as partial reimbursement of costs incurred by the towing company. Pursuant to A.R.S. § 28-8325, ADOT is required to issue a aircraft registration certificate and license decal, upon payment of a \$5 registration fee. The license decal must be displayed on the aircraft in a manner that is prescribed by ADOT.

Provisions

Release of Personal Information (Sec. 4-5)

- 113. Removes the authority of ADOT to disclose, with express consent, personal information for bulk distribution for surveys, marketing or solicitations.
- 114. Eliminates the requirement for ADOT to provide on forms for driver licenses, nonoperating licenses and title and registration the opportunity for a person to provide express consent.
- 115. Prohibits ADOT from selling records with personal identifying information for a commercial purpose except to a person authorized to receive records as outlined by statute and the Driver's Privacy Protection Act of 1994.

Certificates of Title (Sec. 1, 7-10)

- 116. Allows ADOT to accept certificates of title brands from other states or jurisdictions and to record these brands on the appropriate vehicle records.
- 117. Eliminates the requirement to pay a fee on request for a certificate of title to designate a beneficiary of a vehicle upon death.
- 118. Requires a person selling a vehicle with a salvage certificate of title to disclose in writing or by electronic means to the buyer that the vehicle is a salvage vehicle.
- 119. Requires a person selling a vehicle with a restored salvage certificate of title to disclose in writing or by electronic means to the buyer that the vehicle is a restored salvage vehicle.

- 120. Specifies that requirements for a dealer or recycler to purchase a vehicle without obtaining a certificate of title begins no later than October 1, 2020.
- 121. Clarifies that the following requirements of a recycler or dealer when purchasing a vehicle without a certificate of title apply to the *owner* of the vehicle, rather than the *seller*:
 - a) Taking a picture at the time of the transaction;
 - b) Obtaining a signed statement that the vehicle meets certain conditions; and
 - c) Maintaining a copy of photo identification for reference in making subsequent transactions.
- 122. Requires a dealer or recycler to report verified stolen vehicles to a law enforcement agency rather than to ADOT.
- 123. Removes the requirement that a dealer or recycler electronically report to ADOT a list of each vehicle purchased for scrap or parts.
- 124. Requires ADOT to maintain records of searches on its electronic system to verify stolen vehicles based on its record retention schedule rather than for at least 10 years.
- 125. Removes the requirement for ADOT to incorporate by reference the National Motor Vehicle Title Information System.

Commercial Licenses and Permits (Sec. 11-12, 18)

- 126. Reclassifies a commercial instruction permit as a commercial learner's permit.
- 127. Adds that a permittee may be accompanied by an employee or representative of ADOT for the purpose of an examination.
- 128. Requires ADOT to disqualify a person with a commercial driver license or learner's permit permanently if the person is convicted of any of the following offenses in another jurisdiction and a commercial motor vehicle was used in the commission of the offense:
 - a) Sex trafficking;
 - b) Trafficking of persons for forced labor or services; and
 - c) Child sex trafficking.

Towing Company Partial Reimbursement (Sec. 13)

- 129. Requires a towing company that is owed partial reimbursement for towing an abandoned vehicle to register with the state's procurement office in order to qualify for payment.
- 130. States that failure to register with the state's procurement office will result in denial of payment and forfeiture of the payment.
- 131. Requires ADOT to make three good faith attempts to contact the towing company identified as having towed an abandoned vehicle in order to facilitate payment of the partial reimbursement.
- 132. States that if ADOT, after the good faith effort, does not receive a response from or is unable to make contact with the towing company within 30 days, the payment is subject to forfeiture and will revert to the Abandoned Vehicle Administration Fund.

Arizona Highways Magazine (Sec. 15-16)

- 133. Allows the publisher of the Arizona Highways Magazine to accept donation to promote tourism in Arizona.
- 134. Requires the donations to promote tourism to be deposited into the Arizona Highways Magazine Fund.

Aircraft Registration (Sec. 17)

- 135. Requires an aircraft registration certificate to be kept with the aircraft at all times.
- 136. Removes the requirement that ADOT issue an aircraft license decal and for the decal to be displayed on the aircraft at all times.

- 137. Removes the ability of ADOT to adopt rules relating to reciprocity for driver licenses issued by foreign counties. (Sec. 3)
- 138. Requires ADOT to provide for electronic notification of overdimensional permit council meetings to interested parties rather than by first class mail to persons on a mailing list. (Sec. 6)
- 139. Increases the cap on reimbursement that ADOT is authorized to pay a displaced farm, nonprofit organization or small business from \$25,000 to \$50,000. (Sec. 14)

140. Makes technical and conforming changes. (Sec. 1-7, 10-12, 14-17, 19)				
	Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note